

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Behavioral Health	(2) MEETING DATE 1/7/2014	(3) CONTACT/PHONE Wayne Hansen 781-4282 Cindy Collins 788-2932	
(4) SUBJECT Request to approve a third amendment to extend the Multi-Year State Agreement for an additional year and provide an incremental increase of \$394,813 (Clerk's File) with the Department of Alcohol and Drug Programs and Department of Health Care Services for years 2010-2014 for Substance Use Disorder Services. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board approve and direct the Chairperson to sign a third amendment to the Multi-Year State Agreement with the State Department of Alcohol and Drug Programs and Department of Health Care Services for FY 2010-2014 to modify the terms of the agreement to reflect changes based on the FY 2013-14 State Budget and accompanying law.			
(6) FUNDING SOURCE(S) State Dept. of Alcohol and Drug Programs	(7) CURRENT YEAR FINANCIAL IMPACT \$394,813.00	(8) ANNUAL FINANCIAL IMPACT \$394,813.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____ ) <input type="checkbox"/> Board Business (Time Est. ____ )			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A    Date: <u>Oct. 16, 2012</u>	
(17) ADMINISTRATIVE OFFICE REVIEW  Reviewed by Leslie Brown			
(18) SUPERVISOR DISTRICT(S) All Districts -			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Jeff Hamm, Health Agency Director

DATE: 1/7/2014

SUBJECT: Request to approve a third amendment to extend the Multi-Year State Agreement for an additional year and provide an incremental increase of \$394,813 (Clerk's File) with the Department of Alcohol and Drug Programs and Department of Health Care Services for years 2010-2014 for Substance Use Disorder Services. All Districts.

## **RECOMMENDATION**

It is recommended that the Board approve and direct the Chairperson to sign a third amendment to the Multi-Year State Agreement with the State Department of Alcohol and Drug Programs and Department of Health Care Services for FY 2010-2014 to modify the terms of the agreement to reflect changes based on the FY 2013-14 State Budget and accompanying law.

## **DISCUSSION**

Your Board adopted the initial three-year State Agreement with the State Department of Alcohol and Drug Program (ADP) on June 22, 2010, starting with FY 2010-11 through the end of FY 2012-13. On October 16, 2012, your Board adopted a second amendment to transfer the "Drug Medi-Cal" responsibilities from ADP to Department of Health Care Services (DHCS).

The third contract amendment reflects the following changes:

1. Extends the contract period to expire June 30, 2014; and
2. Increase of \$394,813 to the FY 2013-14 agreement facilitating the reimbursement of Drug-Medical services provided by the County Office of Education for their Sober Schools program and Aegis, a Narcotic Treatment program.

One of the provisions of Realignment of 2011 or AB 118 is to realign Medi-Cal funding and the responsibilities of local drug and alcohol programs that were previously funded with State General Fund. Prior to AB 118, the State contracted separately with the two Drug Medi-Cal providers in our county; Aegis, a Narcotic Treatment Program; and San Luis Obispo County Office of Education (COE) for their Sober Schools program. For FY 2012-13 the State was responsible for administering the Drug Medi-Cal Program. The responsibility for Drug Medi-Cal has shifted to the counties in FY 2013-14 with the enactment of AB 118.

The State will continue to allocate Federal Substance Abuse Prevention and Treatment (SAPT) Block Grant funding to counties for substance abuse prevention, treatment and recovery services referred to as Substance Use Disorder (SUD) services through the original Negotiated Net Amount (NNA) contract with ADP.

## **OTHER AGENCY INVOLVEMENT/IMPACT**

County Counsel has approved the contract as to form and legal effect.

## **FINANCIAL CONSIDERATIONS**

The amended four-year SUD contract amount of \$7,173,457 includes the following Federal Substance Abuse Prevention & Treatment (SAPT) block grant and Drug Medi-Cal annual amount:

FY 2010-11	\$1,893,961	(SAPT plus State General Funds)
FY 2011-12	\$1,639,175	(SAPT only)
FY 2012-13	\$1,635,989	(SAPT only)
FY 2013-14	\$1,609,519	(SAPT
	<u>\$394,813</u>	plus Federal Drug Medi-Cal)
Total	\$7,173,457	

The FY 2013-14 Adopted Budget was based on the State's original estimate of \$1,976,173 prior to any change in the State budget. With the amended SUD / NNA contract, the Department is now expecting to receive a total of \$2,004,332 which includes \$1,609,519 of SAPT dollars and \$394,813 of Drug Medi-Cal funds, for an increase compared to FY 2013-14 adopted budget of \$28,159 due to an increase in the amount available for Drug Medi-Cal reimbursements.

## **RESULTS**

This contract is an important funding source to the Behavioral Health Department to provide substance abuse prevention, treatment and recovery services. Outcomes of these programs are articulated in the Department's Performance Measures which are part of the county budget process. These performance measures include measurable impacts of treatment on recovery, high rates of client satisfaction, and penetration rate of prevention services on the general population.

For example, 97% of approximately 850 substance abuse treatment clients will demonstrate reduced or eliminated alcohol and other drug use as well as maintenance of their sobriety upon completion of their treatment program with the Drug and Alcohol Services Division.

The funds received through the Substance Use Disorder contract help the Health Agency's Behavioral Health Department – Drug and Alcohol Services achieve its mission of promoting safe, healthy, responsible and informed choices concerning alcohol and other drugs through programs responsive to community needs. That mission contributes to efforts to achieve the desired community wide result of both a "Healthy Community" and a "Safe Community".

## **ATTACHMENTS**

1. Attachment 1: DAS SUD Contract Amendment FY 2013-14